

The advances of the commercial banks in the state and the C.D ratio for the three years were as under:-

(Amount in Rs. crores)

	ADVANCES		C.D RATIO	
	Andhra Pradesh	All India	Andhra Pradesh	All India
June 89	7015.22	96587.87	86.9	65.5
June 90	8187.52	114643.65	87.9	66.0
June 91	9014.79	130321.21	81.5	65.5

Thus it may be seen that C:D ratio in the state of Andhra Pradesh is on the higher side as compared to all India figures. The C:D ratio is not the sole indicator of Economic Development of a particular State/Region. The actual level of credit in relation to locally mobilised deposits in a particular State/Region depends upon the credit absorption capacity of State/Region which in turn is determined and influenced by factors such as development of infrastructural facilities. Nevertheless the banks have been advised to ensure that wide regional disparities among States in credit deployment are avoided and effective steps are taken to increase flow of credit to all productive and identified viable proposals in deficient areas.

Tea Production

2686. SHRI R. SURENDER REDDY: Will the Minister of COMMERCE be pleased to state:

(a) whether tea production in the country has increased during the last few years;

(b) if so, the production of tea during each of the last three years and the estimated production during the current year; and

(c) the steps taken or proposed to be taken to increase further its production?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) The production of tea in the country has increased during the last three years as is evident from the figure given below:-

Year	Production (M.Kgs.)
1988-89	682.67
1989-90	702.81
1990-91	718.67*

*Provisional

It is estimated that production during the current financial year would be around 735 M.Kgs.

(c) Measures to increase production of tea include:

(i) Short-term measures such as promoting optimisation of inputs and improved cultural practices.

- (ii) Medium term measures such as promoting irrigation, drainage, rejuvenation, pruning and infilling.
- (iii) Long-term measures such as extension planting and replanting.

Mobilisation of NRI Funds by Banks

2687. SHRI R. SURENDER REDDY:
Will the Minister of FINANCE be pleased to state:

- (a) whether most of the leading foreign banks and public sector banks have stepped up their activities to mobilise the NRI funds;
- (b) if so, the details thereof; and
- (c) the extent to which it will help the development schemes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c). The information is being collected and will be laid on the Table of the House.

Second Tier of Capital Market for Small and Medium Size Companies

2688. SHRI R. SURENDER REDDY:
Will the Minister of FINANCE be pleased to state:

- (a) whether the banks and financial institutions have every a mechanism to provide a second tier of capital market to ensure momentum of small and medium size companies and also to safeguard the interest of Investors; and
- (b) if so, the details of the proposed scheme and the time by which it is likely to be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR

SINGH): (a) With the primary objective of providing a market for the shares of small/ start-up companies or companies in green-field ventures with potentially viable projects in hand, the financial institutions and subsidiaries of banks have promoted the Over the Counter Exchange of India(OTCEI).

(b) The OTCEI is mainly intended to meet the capital requirements of the following types of companies:

- (1) Companies set up by first generation entrepreneurs;
- (2) Companies with High Risk, High Technology Projects;
- (3) Companies with small capital requirements.

Operations of OTCEI are likely to commence in the near future.

Broad-Basing Governing Boards of Stock Exchanges

2689. SHRI R. SURENDER REDDY:
Will the Minister of FINANCE be pleased to state:

- (a) whether the Government have issued any directive on broad-basing the governing boards of stock exchanges;
- (b) if so, the details thereof;
- (c) whether the stock exchanges have sought any changes in the scheme; and
- (d) if so, the details thereof and the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESH-WAR THAKUR): (a) Yes, Sir.